



## Family Forests Indicators Risk Assessment

The FSC-US Forest Management Standard adopts a pragmatic approach to evaluating family forests<sup>1</sup>. Of the nearly 200 indicators used in an FSC audit, about a fourth of the measures are adjusted for practical application to smaller forest holdings. In some instances, applicability and guidance language allows less formal approaches compared to large ownerships. In other situations, simpler indicators are substituted or an indicator can be set aside as low risk and not evaluated unless there are obvious nonconformities observed in the field. The Standard does not, however, allow the family forest indicators to be applied blindly without asking if exceptions might not be merited under some circumstances.

Clearly, small individual family forests involve simpler management considerations than, say, a hundred-thousand acre forest owned by a paper company or a million-acre public forest managed by a state conservation agency. The FSC Standard does, however, allow family forests to be organized into group programs that can challenge assumptions. Groups can be administered by a variety of entities (e.g. private consultants, forest products companies, state agencies, etc.) and can grow to tens of thousands landowners with millions of acres. Should some family forest groups be held to the provisions of the full standard on select issues considering their cumulative area, market influence, proximity to sensitive resources or other factors?

In keeping with FSC's precautionary approach, groups seeking to utilize the FSC-US Family Forest Indicators are required to complete an assessment to ask such questions. Group managers do a risk assessment as part of an initial FSC evaluation audit, and it must be checked and approved by the Certification Body.

To assist with family forest group risk assessments, FSC-US offers a template in table format. The template includes all the FSC-US Forest Management Standard requirements with the family forest adjustments shown in red text next to the corresponding full indicators. Reviewers can note which provisions might be higher risk for their organizations and provide a brief reason why. Family forest indicators identified in the Standard as of "particular importance" for review are also marked with yellow highlight.

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<sup>1</sup> Generally, parcels less than 1,000 hectares (2,470 acres), but also including larger "low intensity" managed lands that involve relatively light timber harvesting.

## Examples

1. **FSC Criterion 4.1** requires that “The communities within, or adjacent to, the forest management area should be given opportunities for employment, training, and other services.” The related **Criterion C5.4** says that, “Forest management should strive to strengthen and diversify the local economy, avoiding dependence on a single forest product.” The indicators look at work opportunities, wages, hiring practices, educational programs, civic activities and the like; but all the indicators are designated as either low risk or inapplicable for family forests.

A landowner with only a few hundred acres will not likely have much of an impact on the local economy or community. Imagine a situation, however, where Paper Company XYZ establishes a family forest group that grows to cover a majority of private forest holdings in a woodshed. Couldn't such a group potentially affect competition for timber sales (work opportunities), diversity of forest products, wages, prices and other factors? Yes, risk would be higher and so an auditor should likely evaluate the group on its efforts to act responsibly in respect to Criteria 4.1 and 5.4.

2. **Criterion 4.4** requires that “Management planning and operations shall incorporate the results of evaluations of social impact. Consultations shall be maintained with people and groups (both men and women) directly affected by management operations.” The related indicators describe issues to be addressed in social impact assessments and require that forest owners or managers seek and consider input from people likely to be affected by management activities. Family forests, however, can rely on state conservation agencies to assess regional concerns (generally covered in State Forest Action Plans), and the need for public input on family forest management plans is designated low risk. The burden of Criterion 4.4 for family forests is quite low.

Think about the effects, however, of a state administered organization like the Wisconsin's Managed Forest Law Group with over 42,000 participants and 2.5 million acres of forestland. The state develops Best Management Practices, Biomass Harvest Guidelines, invasive species control strategies, and other broad forest management policies applied on group member lands. The scale and complexity of group forest management activities and potential impact on other lands and businesses calls for public involvement in the rules. Furthermore, the sheer number of timber harvests administered by the group – 4,000 or more per year – means the possibility that sensitive resources might be impacted is higher. People (e.g. tribes wanting to protect burial sites or perhaps law enforcement agencies on the watch for timber theft operations) might have a need to know where the group's harvests are to occur. Since the family forests acting in such a large group pose a higher risk in respect to the indicators, it would likely be fitting for the group to be evaluated to some or all of the full indicators under the FSC criterion.

3. **Criterion 5.6** requires that, “The rate of harvest of forest products shall not exceed levels which can be permanently sustained.” Under the corresponding indicators, large forest management units must calculate a sustained yield harvest level that takes into account forest growth,

mortality and other factors. Making such a calculation requires fairly robust forest inventory data and the ability to coordinate harvests to achieve the desired annual cutting levels. Realizing that the smaller family forests that typically have infrequent harvests rather than annual removals, the Standard allows them to do a “sustained yield analysis” instead. The analysis would justify planned harvests based on generally accepted silvicultural practices, overall state forest inventory data, the stand management objective and other practical forestry considerations, but a discrete annual harvest level does not need to be calculated.

The more flexible sustained yield analysis approach would be reasonable for a group of individual family forest owners, each making decisions about harvests based on their unique objectives and life circumstances. Imagine a different type of group (defined by FSC as a Type II Resource Manager Group) where the group entity has basically taken on all operational responsibilities including administration, forest management and harvesting activities on behalf of the group members. The forest owners want their annual dividends but leave management decisions including harvest scheduling up to the group administrator (a model more common in Scandinavia and Europe but also possible in the U.S.). In that situation, a Type II Group should likely be required to calculate an annual sustained yield harvest level since the group members’ property is essentially being managed like one large holding.

4. In **FSC Principle 6 and Principle 9**, a defining characteristic of FSC certification is that land managers are expected to consider how a particular parcel of land fits into the larger landscape. To that end, the FSC-US Standard includes requirements to size-up opportunities around important or unique resources. Highlights include assessments for Rare, Threatened and Endangered (RTE) species, Representative Sample Areas (RSA) and High Conservation Value Forests (HCVF). Base-line assessments are needed to identify presence of important features, and monitoring is required to assure that management practices protect or enhance the desired features.

Larger Forest Management Units and programs with more intensive management programs are held to a higher bar than smaller, low-intensity family forests and might be required to do specialized resource inventories. Less formal evaluations can be accomplished by family forest group managers using templates offered by FSC-US<sup>2</sup> or by professional resource managers that are consulted for forest management plans. In most instances, existing resource assessments like Natural Heritage Inventories or Nature Serve available from conservation organizations are sufficient and only need to be referenced and checked. In family forest situations where on-site evaluations are appropriate, the Standard often allows for informal procedures such as observations and remarks made in the course of other work on the property rather than specialized inventories.

In some situations, however, risks around HCVF and related concerns might be higher. Consider a group program, large or small, located in a critical urban watershed such as the one that

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<sup>2</sup> An HCVF template including definitions and regional examples can be downloaded from the FSC-US website.

serves New York City. Since water quality interests are more critical in that landscape, the added risk might compel more careful evaluation during an FSC audit than for a family forest group in another location. Proximity to dedicated natural areas, tribal reservations, state parks, etc. might pose other situations where Principle 6 and 9 considerations are given closer scrutiny on family forests.

In conclusion, there are a variety of factors that may elevate the risk that a family forest group could impact concerns addressed by FSC audit indicators. Size of the group is but one. Other aspects like a potential conflict of interest for commercial groups, the location of group lands in relation to cities or recreation areas, or a group manager's authority to make management decision on behalf of group members (effectively causing the group to act like one large owner) are just a few examples of other causes for risk. Extenuating circumstances might affect just a few of the family forest indicators, not necessarily all of them, and so group managers and CBs are encouraged to give thought to completion of the required risk assessment.

For a copy of the FSC US Standard and to download the Family Forest Group Risk Assessment Template, please visit the FSC US at <https://us.fsc.org/>.

